

CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORTREPORT
CD NO.

25X1

COUNTRY

East Germany

DATE DISTR

21 February 1955

SUBJECT

1955 National Economic Plan of the Ministry of
Machine Construction

NO. OF PAGES

3

PLACE
ACQUIREDNO. OF ENCLS.
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DATE OF
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1. On 15 March 1954, a conference of key persons of the main administrations of the Ministry for Machine Construction was held. The conference followed unofficial talks between Heinrich Rau, minister for Machine Construction, his deputies for the various production fields and the key persons of the main administrations. It was decided that the 1955 production in the heavy engines field of the Ministry for Machine Construction should be raised to about 112 percent of the 1954 production. The increase of production scheduled for the various machines and plants broke down as follows:

Machine tools	119 percent
Castings and forgings	104 percent
High-pressure lubrication systems	122 percent
Tools and gears	112 percent
Construction of containers	120 percent
Dredges	108 percent

2. Production of generators and electrical motors was scheduled to be raised to 107 percent. The percentages given to individual engines and plants were

Boilers	112 percent
IC-engines	112 percent
Pumps and compressor	110 percent
Turbines	102 percent

3. Transportation and agricultural machine production was scheduled to be raised to 112 percent.

In the field of general machine construction, it was planned to raise production to 109 percent but the manufacture of mass consumer goods in 1955 was to remain at the same level as in 1954.

4. According to the 1955 National Economic Plan, labor productivity was to be raised by 16 percent with a maximum increase in wages of only 1 percent in comparison with the 1954 plan. The number of manufacturing workers in the ministry was to be increased by about 6 or 7 percent but the number of apprentices was to be reduced in comparison to 1954, because of the necessary draft for the Kasernierte Volkspolizei (KVP).

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1. Comment. Attached in the Annex is an

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undated list of the scheduled breakdown of investments for the various plants of the Main Administration for Power and Machine Tools.

2. Comment. The statements made in this report according to which turbine construction was scheduled to be increased by only 2 percent in 1955, while the manufacture of mass consumer goods would not be increased at all, conflict entirely with the general principles of the New Course. The New Course not only provides for raising the standard of living by increasing the production of consumer goods of every description, but also by expanding the network of electrical energy, for which turbines and generators are particularly needed to fill the gap in East Germany.

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Annex

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1955 Investments of the Main Administration for Power and Machine Tools

Plant	Increase of Pro- duction Referred to Delivery Prices as against 1954 in Percent	1955 Investments for Main Plants in 1,000 eastmarks
Kompressorenbau (compressor plant) Bannwitz	149	60
Motorenwerk (IC-engines plant) Cunewalde	111.5	95
Kompressorenwerk (compressor plant) Gera	116.8	96.7
Apollowerk Goessnitz	113	366
Pumpenwerk (pump works) Halle	104.5	478
Konstruktions- und Entwicklungs- Büro (Design and Development Office) Halle		6,353
Spruiwerk Holzhausen	121.5	167.1
Dieselmotorenwerk (Diesel engine plant) Leipzig	115	132.5
Pumpen- und Gebläsewerk (pumps and blower works) Leipzig	115	195
Pumpenfabrik (pump works) Oschersleben	127	354
Pumpenfabrik (pump works) Salzwedel	118	297
Dieselmotorenwerk (Diesel engine plant) Rostock	113	1,890
Berliner Bremsenwerk (brake plant)	118.5	265
Zwickauer Maschinenfabrik (engine plant)	139	1,277
Maschinenbau (engine plant) Halterstadt	129	1,480
Pumpenfabrik (pump works) Karl- -Marx-Stadt	109	1,498
Karl Liebknecht-Werk Magdeburg formerly Buckau-Wolf	106.5	2,566.5

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undated list of the scheduled breakdown of investments for the various plants of the Main Administration for Power and Machine Tools.

2. Comment. The statements made in this report [REDACTED] in turbine construction was scheduled to be increased [REDACTED] in 1955, while the manufacture of mass consumer goods [REDACTED] at all, conflict entirely with the [REDACTED] principles of the New Course. The New Course not only provides for [REDACTED] the standard of [REDACTED] by increasing the production of [REDACTED] goods [REDACTED] every description, also by expanding the network of electrical energy, for which turbines and generators are particularly needed to fill the gap in East Germany.

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